**TERM SHEET FOR**

**SALE AND DEVELOPMENT AGREEMENT –**

**ORANGA DEVELOPMENT – STAGE 5 SUPER LOTS PACKAGE 2**

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2024

*The purpose of this Term Sheet is to set out a summary of the key commercial terms that will form the basis of a Sale and Development Agreement for the Super Lot(s) described in this Term Sheet.*

*The parties agree and understand:*

* *that in consideration of the time and expense required to negotiate this document, the Confidentiality and Development Agreement Negotiation provisions of this Term Sheet will be binding;*
* *no other legally binding obligations will be created until a Sale and Development Agreement is executed by all parties;*
* *this Term Sheet should be read, understood and entered into with consideration given to the underlying terms of the Agreement Template, noting not all terms are summarised below.*
* *clause references in this Term Sheet correspond to the clauses in the Agreement Template. If required, please refer to those clauses to ensure you set out a fully considered proposal;*
* *capitalised terms used in this Term Sheet have the meaning given to them in the Agreement Template unless otherwise specified; and*
* *in this Term Sheet “Agreement Template” means the Sale and Development Agreement Template prepared by Kāinga Ora for this development opportunity and “Agreement” means a Sale and Development Agreement to be entered into by the parties prepared in accordance with the terms of this Term Sheet and the Agreement Template.*

*Please note, the use of [square brackets] around text means that:*

* *the requested details need to be inserted;*
* *there are different options for you to consider within a clause; or*
* *the whole clause/wording is optional and you need to consider whether to include it or amend it, based on the circumstances.*

*Before finalising this Term Sheet, please check for all square brackets to ensure you have considered the relevant option and ensure that all square brackets have been deleted.*

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| **Parties** | | |
| **Housing New Zealand Build Limited**  **(“HNZ Build”):** | HNZ Build is a wholly owned subsidiary of Kāinga Ora-Homes and Communities (established under the Kāinga Ora-Homes and Communities Act 2019) and, as a result, is a Crown entity for the purposes of the Crown Entities Act 2004. | |
| **Developer:** | Name: [ ]  Company number: [ ] | |
| **Developer’s GST number:** | [ ] | |
| **Land** | | |
| **Super Lot[s]:** | Total area approximately 23,725m2 more or less   |  |  |  | | --- | --- | --- | | **OR-27A & OR-27B** | **LEGAL DESC.** | **TITLE** | | 1 State Ave | Lot 207 DP 37889 | NA8B/1102 | | 3 State Ave | Lot 4 DP 194908 | NA123B/373 | | 5 State Ave | Lot 3 DP 194908 | NA123B/372 | | 5A State Ave | Lot 1 DP 86955 | NA44D/135 | | 7 State Ave | Lot 3 DP 86955 | NA44D/137 | | 3 Edmonton Ave | Lot 1 DP 188287 | NA118A/895 | | 5 Edmonton Ave | Lot 2 DP 188287 | NA118A/896 | | **Area: 3,842m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-035** | **LEGAL DESC.** | **TITLE** | | Pt 61 Edmonton Ave | Pt Lot 178 DP 45978 | NA43A/493 | | 63 Edmonton Ave | Lot 177 DP 37889 | NA43A/491 | | 137 Rockfield Rd | Lot 176 DP 37889 | NA43A/490 | | **Area: 2,020m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-036** | **LEGAL DESC.** | **TITLE** | | 1 Gambia Place | Lot 119 DP 49062 | NA107B/613 | | 2 Gambia Place | Lot 120 DP 49062 | NA97B/944 | | 3 Gambia Place | Lot 121 DP 49062 | NA24C/494 | | 4 Gambia Place | Lot 122 DP 49062 | NA107B/614 | | 5 Gambia Place | Lot 123A DP 49062 | NA102D/218 | | 6 Gambia Place | Lot 123B DP 49062 | NA102D/219 | | 34 Edmonton Ave | Lot 117 DP 49062 | NA107B/612 | | 36 Edmonton Ave | Lot 116 DP 49062 | NA55A/1398 | | **Area: 4,436m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-042** | **LEGAL DESC.** | **TITLE** | | 2 Edmonton Ave | Lot 1 DP 184256 | NA115A/624 | | 11 State Ave | Lot 2 DP 184256 | NA115A/625 | | 13 State Ave | Lot 2 DP 66102 | NA22C/687 | | 15 State Ave | Lot 1 DP 66102 | NA54D/648 | | 11 Gambia Place | Lot 128 DP 37889 | NA107B/25 | | 12 Gambia Place | Lot 129 DP 37889 | NA107B/26 | | **Area: 3,122m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-43A** | **LEGAL DESC.** | **TITLE** | | 21 State Ave | Lot 156 DP 47013 | NA107B/604 | | 19 State Ave | Lot 155 DP 47013 | NA107B/603 | | **Area: 1,383m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-43B** | **LEGAL DESC.** | **TITLE** | | 8 Gambia Place | Lot 125 DP 49062 | NA107B/615 | | 9 Gambia Place | Lot 1 DP 196800 | NA124C/767 | | 10 Gambia Place | Lot 2 DP 196800 | NA124C/768 | | **Area: 1,713m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-044** | **LEGAL DESC.** | **TITLE** | | 40 Edmonton Ave | Lot 114B DP 49062 | NA107B/611 | | 42 Edmonton Ave | Lot 113 DP 49062 | NA107B/610 | | 67 State Ave | Lot 112B DP 49062 | NA107B/609 | | 65 State Ave | Lot 112A DP 49062 | NA107B/608 | | 63 State Ave | Lot 111 DP 49062 | NA107B/607 | | 9 Torokina Place | Lot 110 DP 49062 | NA 107B/606 | | 8 Torokina Place | Lot 109 DP 49062 | NA97B/943 | | 7 Torokina Place | Lot 108 DP 49062 | NA107B/605 | | **Area: 5,043m2** |  |  |  |  |  |  | | --- | --- | --- | | **OR-047** | **LEGAL DESC.** | **TITLE** | | 59 State Ave | Lot 174 DP 37889 | NA48C/202 | | 61 State Ave | Lot 175 DP 37889 | NA70A/494 | | 1 Torokina Place | Lot 1 DP 415529 | 459857 | | 2 Torokina Place | Lot 2 DP 415529 | 459858 | | **Area: 2,166m2** |  |  | | |
| **Payments** | | |
| **Purchase Price:** | $[insert] plus GST (if any) (calculated at $[insert] per square metre plus GST (if any)) | |
| **Deposit:** | An amount equal to 10% of the Purchase Price.  Date for payment: The date all Conditions are satisfied or waived. | |
| **Marketing Contribution:** | $30,000 plus GST per annum per Super Lot.  Payable from design approval to the sale of the last home. | |
| **Milestones** | | |
| **Milestones and Milestone Dates:** | **Milestones** | **Milestone Dates** |
| **Milestone 1:** The Developer lodging its application for Resource Consent | 3 months from the date of obtaining Design Review Panel approval to the Design Documents |
| **Milestone 2:** The floor slab of the first Home on [the Super Lot / a Super Lot / Super Lot X etc] has been laid. | 60 days after the Occupation Date for a Super Lot |
| **Milestone 3:** Practical Completion of all of the Homes on [the Super Lot] [each of the Super Lots]OR[[Super Lot 1] [Super Lot 2] [Super Lot 3]]. | [insert] [  ] months after the date of this Agreement] |
| **Conditions** | | |
| **Conditions:** | **Condition** | **Date for Satisfaction** |
| Kāinga Ora Approval Condition | 20 Working Days after the date of the Agreement. |
| Developer Suitability Condition | 20 Working Days after the date of the Agreement |
| [insert] | [insert] |
| [insert] | [insert] |
| [insert] | [insert] |
| [insert] | [insert] |
| **Settlement Date[s]:** | The later of:   * 10 Working Days after [all] Conditions have been satisfied or (if applicable) waived; and * 6 months after the Occupation Date. | |
| **Licence Commencement Date** | 10 Working Days after the later of:   * satisfaction of the following Conditions [identify the conditions] * the parties have executed and delivered a licence in the form set out in this Agreement. | |
| **Homes to be built by Developer** | | |
| **Total number of Homes on [the/each] Super Lot** | [insert]  (Note: this includes the Affordable Homes, KiwiBuild Homes and Market Homes) | |
| **Typologies** | [Description] | |
| **[Affordable Homes** | | |
| **Applicable Affordable Home deliverables** | KiwiBuild   |  |  | | --- | --- | | **Type/Bedrooms** | **Quantity** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** |   Build-to-Rent   |  |  | | --- | --- | | **Type/Bedrooms** | **Quantity** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** |   Shared Equity   |  |  | | --- | --- | | **Type/Bedrooms** | **Quantity** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** | | **[TBC]** | **[TBC]** | | |
| **Other Details** | | |
| **HNZ Build Address for Notices:** | [Floor 5, 7 Waterloo Quay, Pipitea, Wellington, 6011]  [insert HNZ Build email] | |
| **HNZ Build’s GST No.:** | 125-981-623 | |
| **Developer's Address for Notices:** | [insertDeveloper's address]  [insertDeveloper's email] | |
| **Developer's GST No.:** | [insertDeveloper's GST No.] | |
| **Insurances:** | * **[Public Liability:** [$insert] for any one claim and [$insert] in aggregate] * **[Contract Works:** Full replacement value] * **[Professional Indemnity:** [$insert] for any one claim and [$insert] in aggregate]] * **[Motor Vehicle:** [$insert]] * **[Plant and machinery insurance:** [$insert]] | |
| **Developer's initial DPM Representatives:** | [insert the names occupations and contact details of up to 2 representatives] | |
| **HNZ Build initial DPM Representatives:** | [insert the names occupations and contact details of up to 2 representatives] | |
| **Developer's Senior Manager:** | [insert name, role/title and contact details] | |
| **HNZ Build Senior Manager:** | [insert name, role/title and contact details] | |
| Development Agreement Negotiation: | The parties agree to act in good faith towards one another and to use reasonable endeavours to enter into a Sale and Development Agreement within 30 working days of the date of this Term Sheet (“Drop Dead Date”). The Sale and Development Agreement will be prepared on the Agreement Template and amended in accordance with the terms of this Term Sheet. | |
| Drop Dead Date: | Notwithstanding any other right or remedy that the parties may have under this Term Sheet or at law, if for any reason a Sale and Development Agreement has not been entered into by both parties on or before the Drop Dead Date, then either party discontinue negotiations by giving written notice to the other. | |
| Costs: | Each party will bear its own costs and expenses in connection with their due diligence enquiries and the negotiation, preparation and implementation of this Term Sheet. | |
| Confidentiality: | This Term Sheet and all information and documentation exchanged by the parties in respect of this proposed transaction, both before and after signing this Term Sheet, will be confidential to the parties and their professional advisers (“Confidential information”). The Confidential Information will not be disclosed to any other person without the prior written agreement of the other party subject always to HNZ Build’s obligations to provide information to Ministers of Government, its parent entity and pursuant to any relevant legislation. | |
| Further Terms of Sale: | * Existing titles comprising the superlot area will be transferred to the purchaser. For avoidance of doubt, the superlot will not be amalgamated by Kāinga Ora and acquired by the Purchaser in one title. * Kāinga Ora design standards require Homestar 6 * Development Contributions: the Developer will receive one development contribution credit for the Super Lot (subject to the terms of the DA) * Contamination: Kāinga Ora will provide a Site Validation Report to the Developer (on a non-reliance basis) which confirms the completion of Remediation Works in accordance with the Remediation Management Plan. All further remediation works will be the Developer’s responsibility. | |

**EXECUTION**

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| **SIGNED** on behalf of **HOUSING NEW ZEALAND BUILD LIMITED** by: |  | Signature of authorised signatory    Name of authorised signatory |

|  |  |  |
| --- | --- | --- |
| **SIGNED** on behalf of **[INSERT nAme]** as Developer by: |  | Signature of director/authorised signatory    Name of director/authorised signatory |